

The case for expropriation

## Amazon halts construction in Seattle to protest tax hike

Eric London  
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On Tuesday, Amazon halted construction of a new 17-story office building in downtown Seattle, Washington to protest a proposed city council tax that would fund housing for the homeless. Amazon also threatened to sublease office space it is presently using in another downtown building.

“I can confirm that pending the outcome of the head tax vote by City Council, Amazon has paused all construction planning on our Block 18 project in downtown Seattle and is evaluating options to sub-lease all space in our recently leased [Rainier] Square building,” Amazon vice president Drew Herdener said in a statement.

Seattle’s Democratic Party-dominated local government immediately promised Amazon it would negotiate to lessen the impact of any proposed tax. Mayor Jenny Durkan proposed new negotiations between Amazon, big business, and the trade unions. During the 2017 mayoral elections, a committee supporting Durkan received a \$350,000 donation from Amazon.

“I’m deeply concerned about the impact this decision will have on a large range of jobs—from our building trades, to restaurant workers, to nurses, manufacturing jobs and tech workers,” Durkan said Wednesday.

Amazon’s protest and the sycophantic response of the city officials show how massive corporations dictate the policies of the government and block even the mildest reforms.

The city council proposal would tax large businesses in Seattle by a total of \$0.26 per worker hour for those employed in Seattle (i.e. if an Amazon employee in Seattle makes \$50/hour, Amazon will pay \$50.26/hr, with \$0.26 going to the city). This would generate \$75

million a year to fund the construction of 1,780 affordable housing units within five years, as well as a modest expansion of social programs for the homeless. If enacted at a city council meeting on May 15, the tax would cost Amazon \$20 million per year—roughly one sixth of what Amazon CEO Jeff Bezos makes *each day*.

Seattle has the third largest homeless population in the United States, at 11,643 in a 2017 count, behind Los Angeles and New York. The city has done little to expand shelter capacity, and as a result the total of unsheltered homeless increased by 21 percent from 2016 to 2017. Over the same period, housing prices have risen 19 percent in downtown Seattle as workers are priced out of the area or made homeless.

In April, Amazon announced that its profits, which come from the hyper-exploitation of its workforce, doubled in the first quarter of 2018 to \$1.6 billion. According to a company disclosure statement released in April, the median annual salary of an Amazon employee is \$28,446. Since this includes professional employees, the actual conditions for Amazon’s nearly 600,000 warehouse workers across the world are far worse. In India, Amazon workers told the *International Amazon Workers Voice* they make as little as \$230 per month.

In the United States, Amazon wages aren’t enough for some workers to feed themselves. Large minorities of Amazon workers rely on food stamps, including up to a third of total Amazon workers in Arizona. Meanwhile, *Business Journals* reported in 2017 that state and local governments have given Amazon \$1.2 billion in tax cuts and subsidies in recent years. In the last year, dozens of cities have promised billions more in giveaways if Amazon locates its second headquarters

in their city.

The National Council for Occupational Safety and Health recently reported that Amazon was one of the most dangerous places to work in the US. Seven Amazon workers have been killed on the job since 2013 alone. Workers have been run over by trucks, crushed by forklifts, had heart attacks on the job, have been dragged apart by conveyer belts, and pinned under pallet loaders.

Less than a year ago, the *World Socialist Web Site* launched the *International Amazon Workers Voice* to provide a platform for Amazon workers to learn the truth about the company and to organize themselves independently of the company and pro-corporate unions that only want workers' dues money.

The IAWV calls on Amazon to be placed under the democratic control of Amazon workers themselves. Amazon's international logistics chains must be placed at the service of the working class to meet social need and not generate profit. The wealth of the company and its leaders—gained through exploitation—should be expropriated and redistributed to meet human need.

All over the world, workers are told that there is “no money” to meet the needs of the population. Amazon's market capitalization is presently \$757.9 billion. Here are some of the social problems that could be addressed with this money:

- Cost to provide housing for all 634,000 homeless people in the US: **\$20 billion**
- Cost to provide food to 862 million malnourished people worldwide: **\$30 billion**
- Cost to cut in half the total number of people without access to clean water: **\$11 billion**
- Cost to provide an education to every child that doesn't receive one : **\$26 billion**
- Cost to provide free maternal and prenatal care to every mother in the developing world: **\$13 billion**
- Cost to prevent 4 million malaria deaths via treatment and vaccination: **\$6 billion**
- Cost to replace the entire water infrastructure of Flint with a safe and clean system: **\$1.5 billion**
- Cost to give immediate \$20,000 bonuses to all 3.1 million teachers in the US: **\$62 billion**
- Cost to provide \$500 million in added education spending to each state in the US: **\$25 billion**
- Cost to double annual food stamp benefits for all 44

million recipients: **\$71 billion**

- Cost to dramatically reduce opioid deaths by providing rehabilitation and prevention programs: **\$45 billion**

- Cost to reduce health care premiums by 10 percent for 250 million US adults: **\$167 billion**

- Cost to reduce student loan payments by 10 percent for 44 million people in US: **\$148 billion**

Total cost: \$625.5 billion.

Freeing up the vast sums of wealth accumulated by the extremely wealthy through corporations like Amazon requires a socialist revolution. We urge all Amazon workers to contact the *International Amazon Workers Voice* today and take up the fight to build rank-and-file committees in your fulfillment center.



To contact the WSWWS and the Socialist Equality Party visit:

**[wsws.org/contact](https://www.wsws.org/contact)**